



Date: 28 October 2021
Ref: 10 / 10 / 426 / 2021

التاريخ: 28 أكتوبر 2021
الإشارة: 2021 / 426 / 10 / 10

To: Chief Executive Officer
Boursa Kuwait

السيد/ الرئيس التنفيذي المحترم
بورصة الكويت

Peace, Mercy and Blessings of Allah be upon you,

السلام عليكم ورحمة الله وبركاته،

Subject: Disclosure of Material Information
KFH: Analysts Conference Presentation
Q (3/2021)

الموضوع: الإفصاح عن المعلومات الجوهرية
بيتك: العرض التقديمي لمؤتمر المحللين
الربع (2021/3)

In reference to the above, and in line with Kuwait Finance House 'KFH' interest in adhering to Boursa Kuwait Role Book Article (7-8-1/3) regarding the Listed Companies Obligations (Analysts Conference), KFH would like to report the following:

بالإشارة إلى الموضوع أعلاه، وحرصاً من بيت التمويل الكويتي "بيتك" على الالتزام بالمادة رقم (3/1-8-7) من كتاب قواعد البورصة بشأن إلتزامات الشركات المدرجة (الإفصاح عن مؤتمر المحللين)، يفيد بيتك بما يلي:

- KFH has conducted the Analysts Conference for Q (3/2021) through live broadcasting on internet (Live Webcast) at 2 p.m. on Thursday 28 October 2021.
- There was no other material information had been discussed during the conference.
- KFH will disclose the Conference Minutes of Meeting within (3) working days after the conference.

- عقد بيتك مؤتمر المحللين للربع (2021/3) عن طريق بث مباشر على شبكة الإنترنت وذلك في تمام الساعة 2 من بعد ظهريوم الخميس الموافق 28 أكتوبر 2021.

Attached is the Investors Presentation Q (3/2021) for your reference. A copy of the same has been submitted to Capital Markets Authority.

- لم يتم تداول أي معلومات جوهرية أخرى خلال المؤتمر.
 - سوف يقوم بيتك بالإفصاح لاحقاً عن محضر المؤتمر خلال (3) أيام عمل من تاريخ المؤتمر.
- مرفق العرض التقديمي للمستثمرين للربع (2021/3)، هذا وتم تزويد السادة / هيئة أسواق المال بنسخة منه.

Best Regards,

وتفضلوا بقبول فائق الإحترام،

Abdulwahab Issa Al-Rushood
Acting Group Chief Executive Officer

عبد الوهاب عيسى الرشود
الرئيس التنفيذي للمجموعة بالتكليف



بيت التمويل الكويتي
Kuwait Finance House

28 October 2021

28 أكتوبر 2021

Kuwait Finance House (KFH)

بيت التمويل الكويتي (بيتك)

Appendix (11)

ملحق رقم (11)

Disclosure of Material Information Form

نموذج الإفصاح عن المعلومات الجوهرية

KFH: Analysts Conference Presentation
Q (3/2021)

بيتك: العرض التقديمي لمؤتمر المحللين
الربع (2021/3)

Disclosure of Material Information

الإفصاح عن المعلومات الجوهرية

Date	Listed Company
28 October 2021	Kuwait Finance House (KFH)

اسم الشركة المدرجة	التاريخ
بيت التمويل الكويتي "بيتك"	28 أكتوبر 2021

KFH: Analysts Conference Presentation
Q (3/2021)

بيتك: العرض التقديمي لمؤتمر المحللين
الربع (2021/3)

Material Information

- KFH has conducted the Analysts Conference for Q (3/2021) through live broadcasting on internet (Live Webcast) at 2 p.m. on Thursday 28 October 2021.
- There was no other material information had been discussed during the conference.
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المعلومة الجوهرية

- عقد بيتك مؤتمر المحللين للربع (2021/3) عن طريق بث مباشر على شبكة الإنترنت وذلك في تمام الساعة 2 من بعد ظهريوم الخميس الموافق 28 أكتوبر 2021.
- لم يتم تداول أي معلومات جوهرية أخرى خلال المؤتمر.
- سوف يقوم بيتك بالإفصاح لاحقاً عن محضر المؤتمر خلال (3) أيام عمل من تاريخ المؤتمر.

Effect of the Material Information
on the Company's Financial Position

-

أثر المعلومة الجوهرية
على المركز المالي للشركة

-

Significant Effect on the financial position shall be mentioned if the material information can measure that effect, excluding the financial effect resulting from tenders or similar contracts.

If a Listed Company, which is a member of a Group, disclosed some material information related to it and has Significant Effect on other listed companies' which are members of the same Group, the other companies' disclosure obligations are limited to disclosing the information and the financial effect occurring to that company itself.

يتم ذكر الأثر على المركز المالي في حال كانت المعلومة الجوهرية قابلة لقياس ذلك الأثر، ويستثنى الأثر المالي الناتج عن المناقصات والممارسات وما يشبهها من عقود.

إذا قامت شركة مدرجة من ضمن مجموعة بالإفصاح عن معلومة جوهرية تخصها ولها انعكاس مؤثر على باقي الشركات المدرجة من ضمن المجموعة، فإن واجب الإفصاح على باقي الشركات المدرجة ذات العلاقة يقتصر على ذكر المعلومة والأثر المالي المترتب على تلك الشركة بعينها.



بيت التمويل الكويتي
Kuwait Finance House

هشام بن

بيت التمويل الكويتي
Kuwait Finance House



9M-21

Earnings Presentation

28 October 2021

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- All statements included or incorporated by reference in this presentation, other than statements or characterizations of historical fact, are forward-looking statements. Such forward-looking statements are based on Kuwait Finance House's current expectations, predictions and estimates and are not guarantees of future performance, achievements or results. Forward-looking statements are subject to and involve risks and uncertainties and actual results, performance or achievements of Kuwait Finance House may differ materially or adversely from those expressed or implied in the forward-looking statements as a result of various factors. In addition, even if Kuwait Finance House's results of operations, financial condition and the development of the industry in which it operates are consistent with forward-looking statements contained herein, those results or developments may not be indicative of results or developments in subsequent periods. Kuwait Finance House does not undertake to update any forward-looking statements made herein. Past results are not indicative of future performance.

Contents

- 1 **Kuwait's Operating Environment**

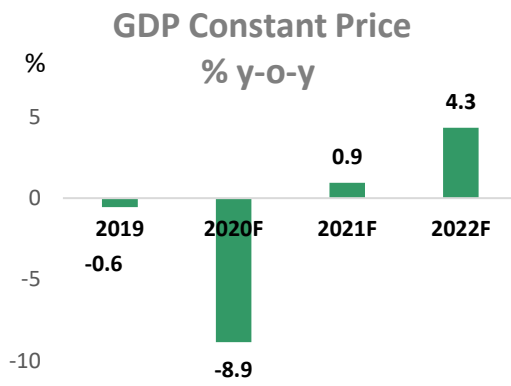
- 2 **Overview of KFH**

- 3 **KFH Strategy**

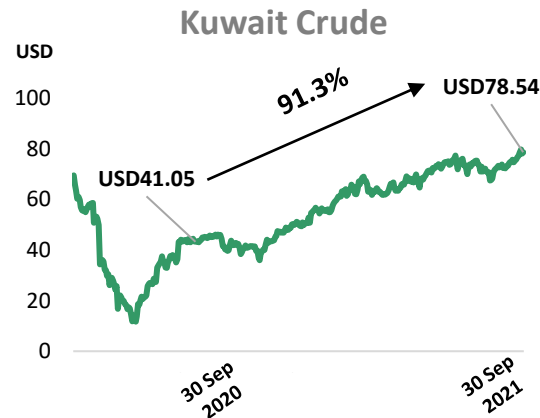
- 4 9M-21 Financial Highlights

- 5 Appendix

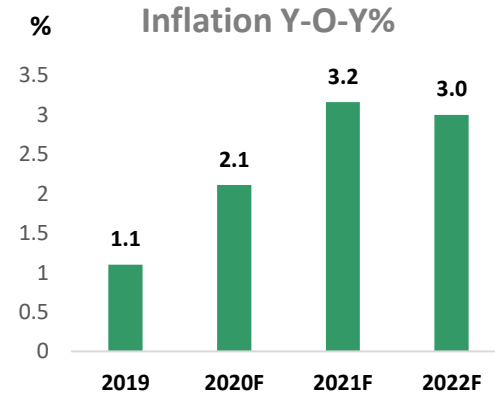
Economic Highlights



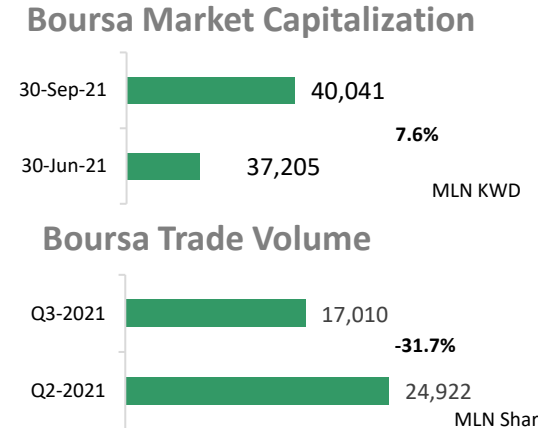
Source: IMF, KFH



Source: Boursa Kuwait, KPC, KFH

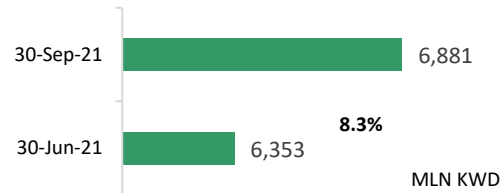


Source: IMF, KFH

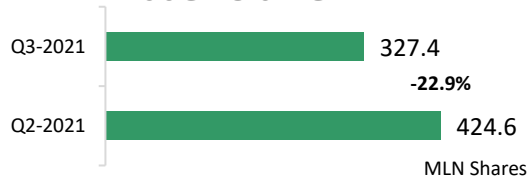


Source: Boursa Kuwait, KFH

KFH Market Capitalization



KFH Trade Volume



Source: Boursa Kuwait, KFH

- Kuwait's coronavirus vaccination program began in December 2020, and as at late September over 60% of the population had received a first dose, and more than 20% of the population is now fully vaccinated. The main economic benefits of high vaccine coverage are likely to be felt in the final quarter of 2021
- The economy will continue its post-pandemic recovery in 2022, helped by supportive external economic conditions and a further rise in global oil prices.
- Kuwaiti Crude Oil Price closed at USD 78.54 pb at the end of Q3-2021 higher by 91.3% Y-O-Y, and higher by 6.4% Q-O-Q
- Kuwait's Long-Term Issuer Default Rating (IDR) remained solid as Moody's rating was fixed at "A1" with a stable Outlook (Sep. 2020), while Fitch affirmed the ratings of Kuwait at "AA" with Negative Outlooks (February 2021) and S&P affirmed at "A+" with a negative Outlook (July. 2021).
- The Central Bank of Kuwait (CBK) has maintained the discount rate at 1.5%.
- Boursa Kuwait Market Capitalization rose by 7.6% to reach KD 40 billion, while the market capitalization of KFH increased by 8.3% to reach KD 6.9 billion at the end of Q3- 2021 compared to the end of Q2-2021.

Overview of KFH's Awards & Ratings

Kuwait

Best

Islamic Project Finance
Provider

in the World

*Global Finance

Regional

Safest

Islamic Bank
in the GCC

*Global Finance

Global

Best

Islamic Financial Institution
in the World

*Global Finance

FitchRatings

Long-Term Issuer Default Rating **A+**

Short-Term Issuer Default Rating **F1**

NEGATIVE Outlook

19 April 2021

MOODY'S

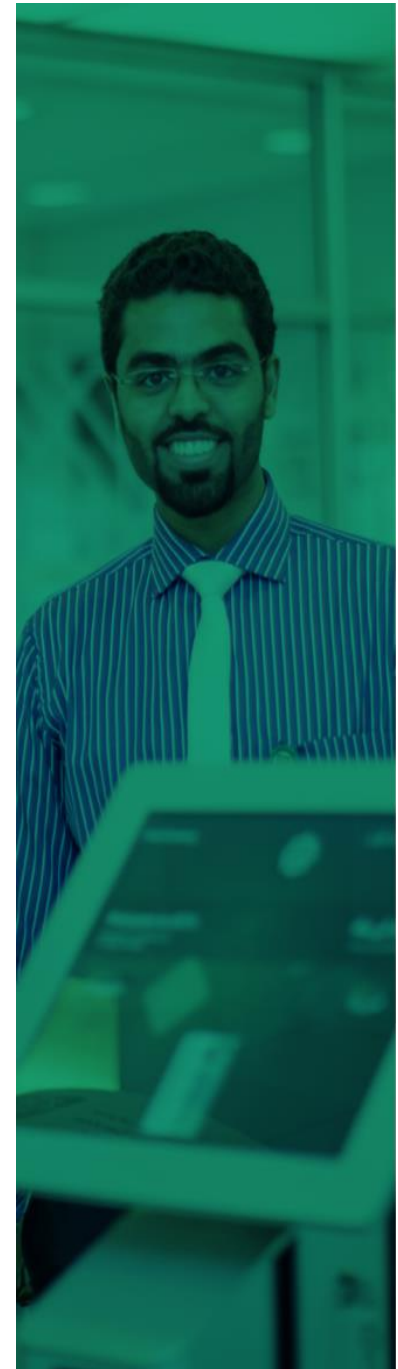
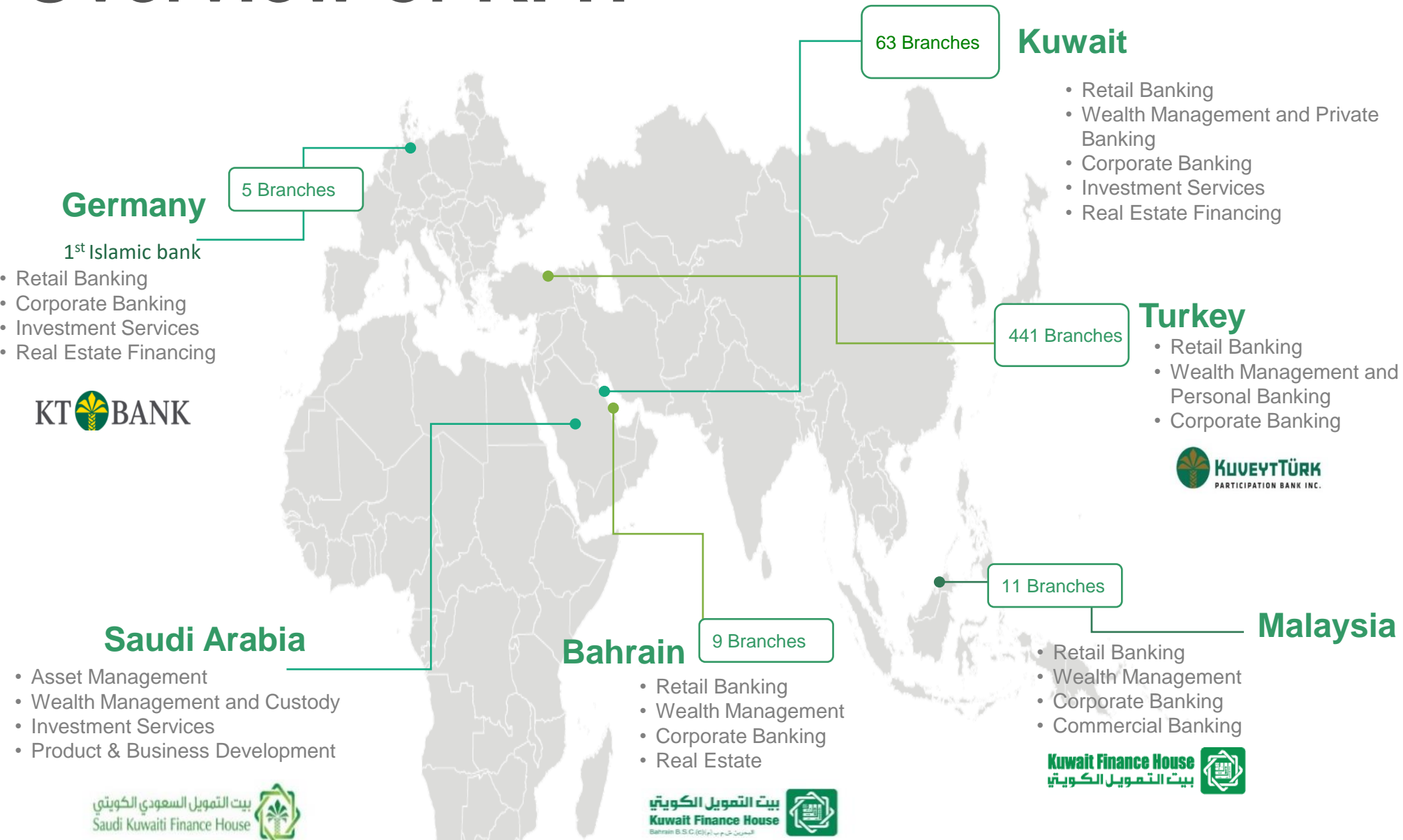
LT FC Bank Deposits Rating **A2**

ST FC Bank Deposits Rating **P-1**

STABLE Outlook

30 September 2021

Overview of KFH

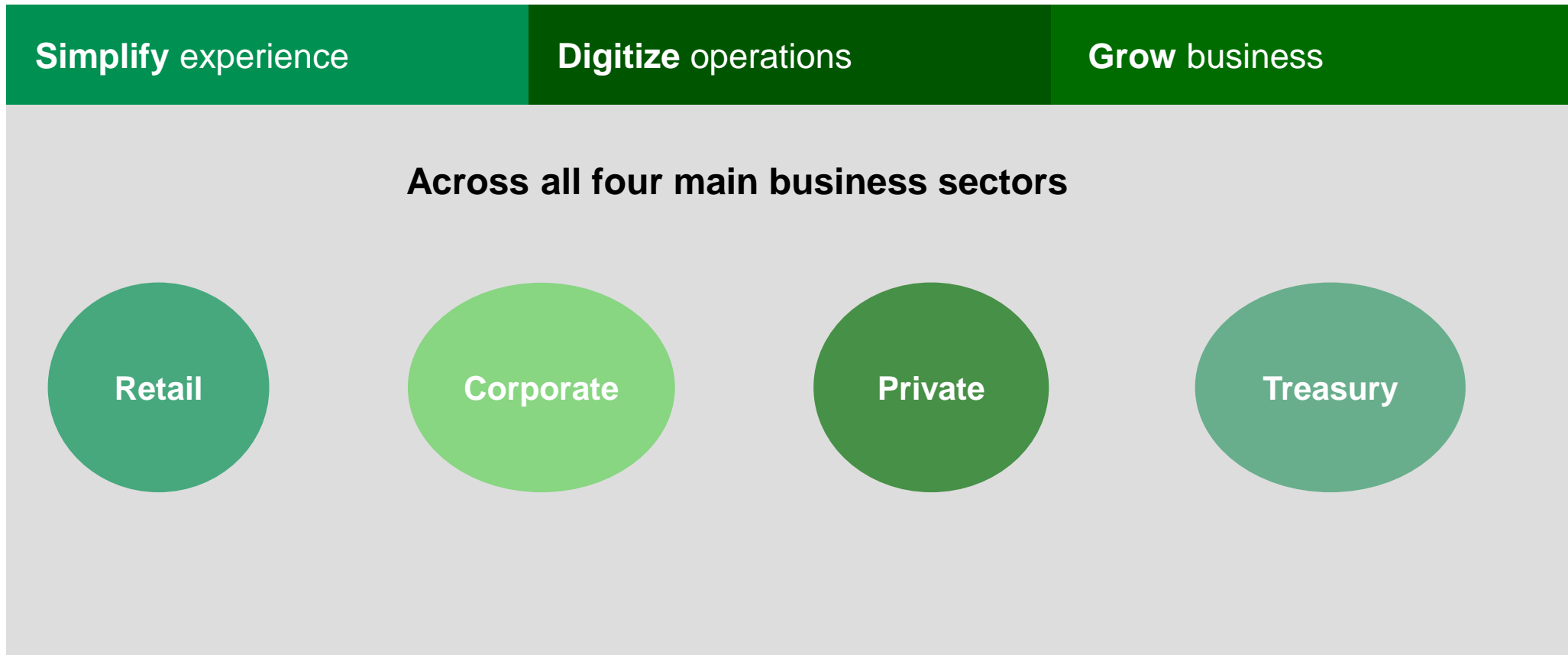


KFH Strengths

Robust Financial Performance	Leading Islamic Financial Institution	Strong Government Sponsorship	Professional Management Team	Strategic Distribution Channels	Effective Risk Management Framework
<p>A consistent track record of profitability & dividend payment</p> <p>Solid funding and liquidity profile</p> <p>Consistently low NPF rates</p> <p>Improved cost to income ratio</p> <p>Solid profit margins and improved efficiency</p>	<p>Second largest Islamic Financial Institution globally in terms of asset base</p> <p>Operating history of more than 40 years</p> <p>Strong retail franchise</p> <p>Pioneer of Islamic products in Kuwait</p>	<p>48% ownership by various Kuwaiti Government authorities</p> <p>KFH operates mainly in Kuwait where the economy benefits from high level of economic strength</p> <p>Systemic important bank in Kuwait Large retail deposit and global flagship Islamic bank</p>	<p>Well-rounded human capital through meritocratic management structure</p> <p>Significant improvement in the Management team for the diversified international operation</p> <p>Strong and stable Board of Directors, collectively bringing more than two hundred and fifty years of professional experience</p>	<p>Diversified international operations</p> <p>Presence in 6 countries giving access to Europe, Middle East and Asian markets</p> <p>Extensive accessibility option with a wide network of 529 branches and over 1,641 ATMs</p>	<p>KFH continuously develops its risk management framework in light of development in the business, banking and market regulations</p> <p>Disciplined & risk adjusted approach to capital allocation</p> <p>Large and diversified portfolio</p> <p>Reduced non-core assets</p>

KFH Strategy

KFH's main focus is on core banking business activities



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- 1 Kuwait's Operating Environment

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9M21 Financial Highlights

Net Profit for Shareholders KD 168.1 m 66.1%	Net Financing Income KD 443.0 m (1.7)%	Net Operating Income KD 364.3 m (9.3)%
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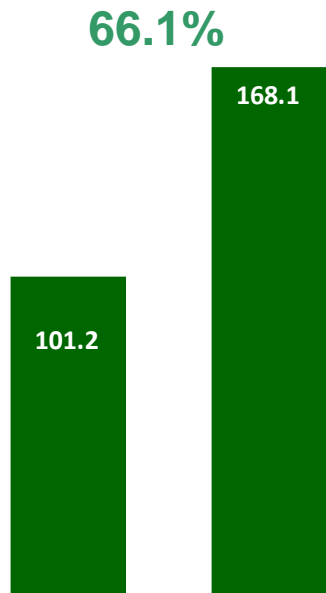
Cost to Income Ratio
38.34%
(9M-20: 35.48%)

EPS (fils)
20.08
(9M-20: 12.10fils)

9M21 Operating Performance

Net Profit for Shareholders

(KD mn)

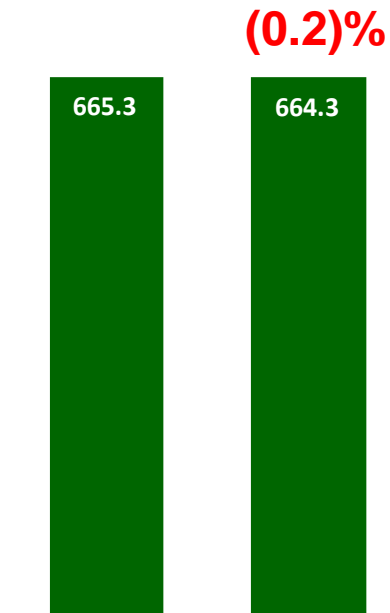


9M-20

9M-21

Financing Income

(KD mn)

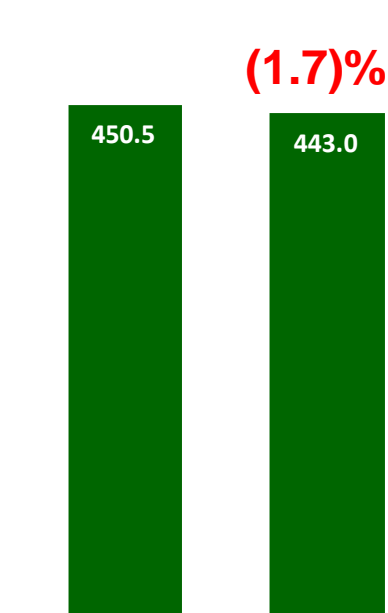


9M-20

9M-21

Net Financing Income

(KD mn)

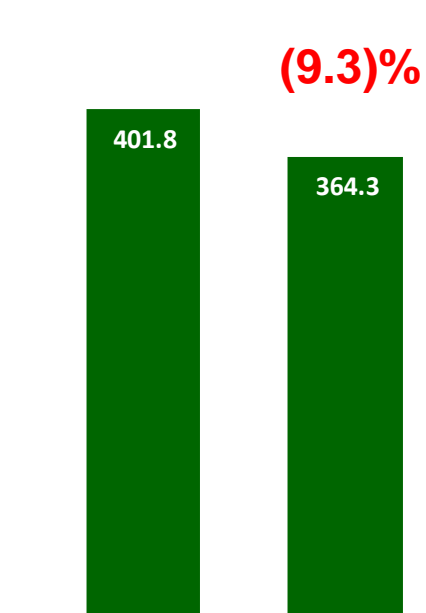


9M-20

9M-21

Net Operating Income

(KD mn)

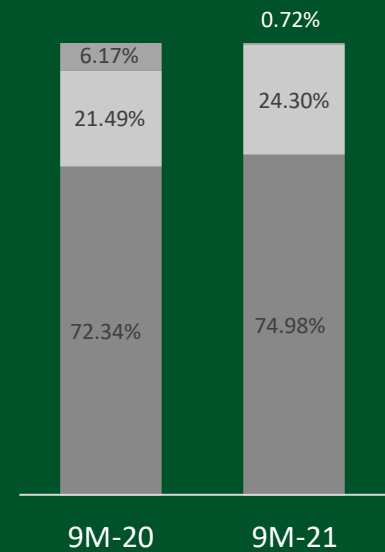


9M-20

9M-21

Operating Income Profile

- Investment Income (%)
- Non-Financing Income (%)
- Net Financing Income (%)



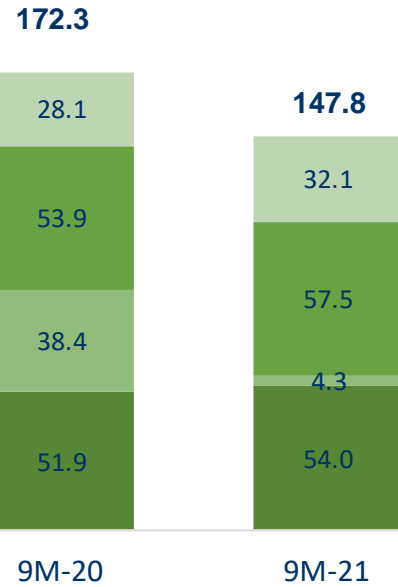
9M-20

9M-21

9M21 Operating Performance

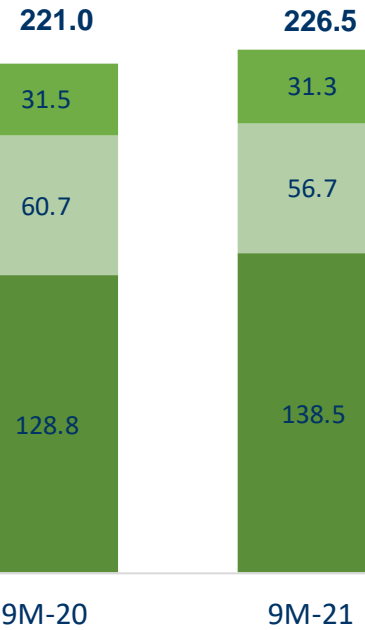
Non - Financing Income (KD mn)

- Other Income
- Net Gain from Foreign Currencies
- Investment Income
- Fees and Commission Income



Total Operating Expenses (KD mn)

- Depreciation and Amortization
- Other Operating Expenses
- Staff Costs

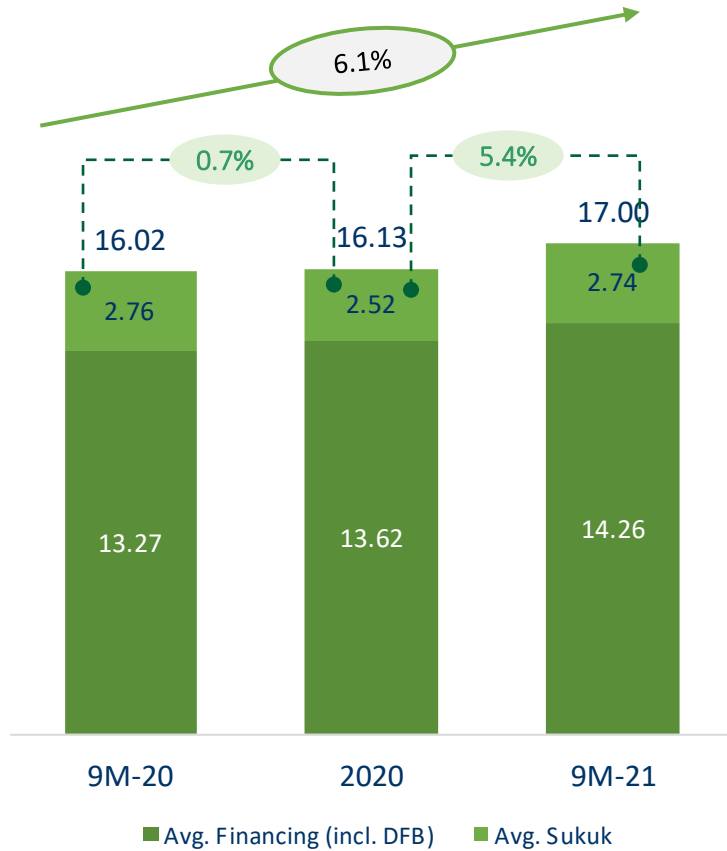


C/I Ratio

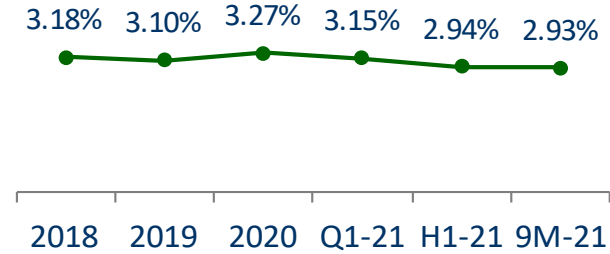


9M21 Operating Performance

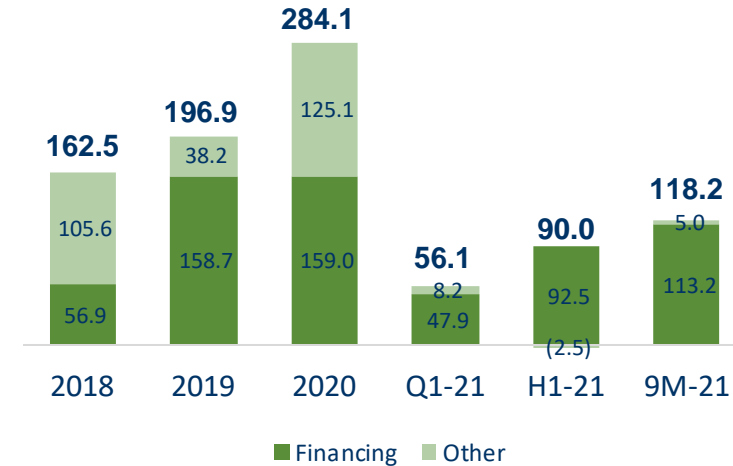
Average Profit Earning Assets (KD Bn)



Net Financing Margin

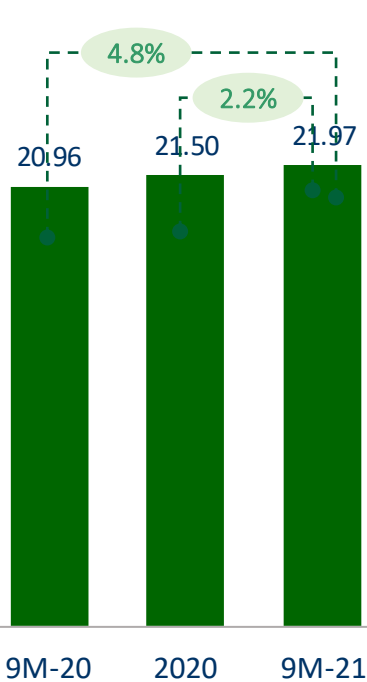


Provision and Impairment (KD mn)

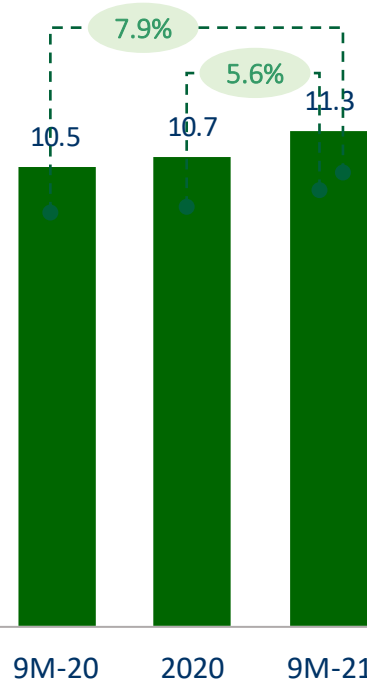


9M21 Operating Performance

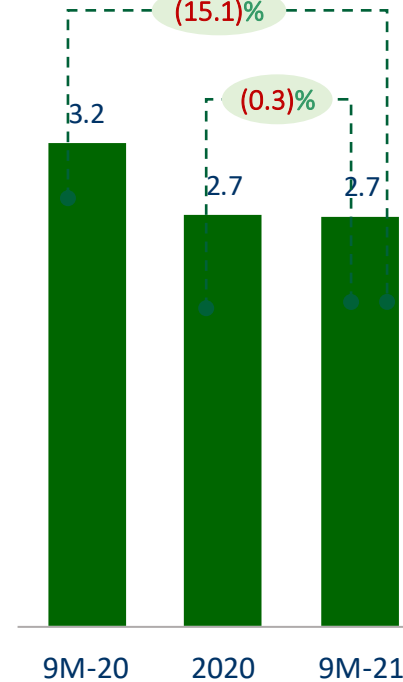
Total Assets
(KD bn)



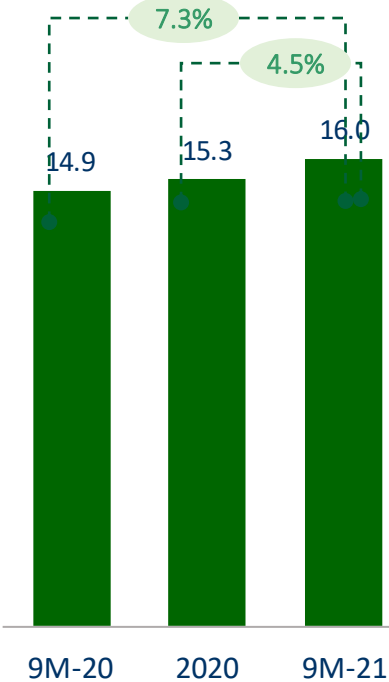
Net Financing
(KD bn)



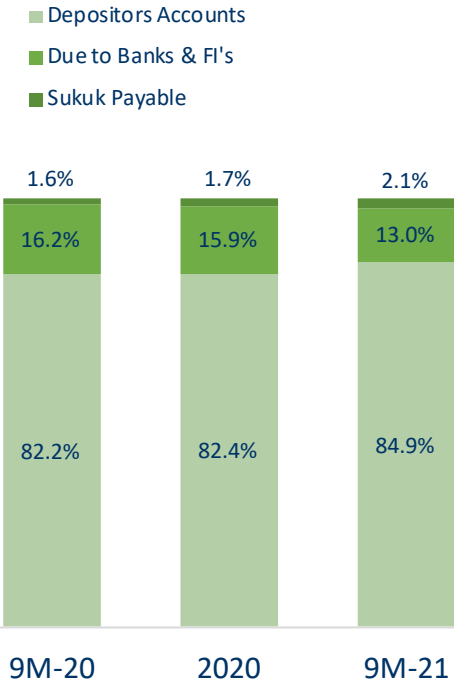
Investment in Sukuk
(KD bn)



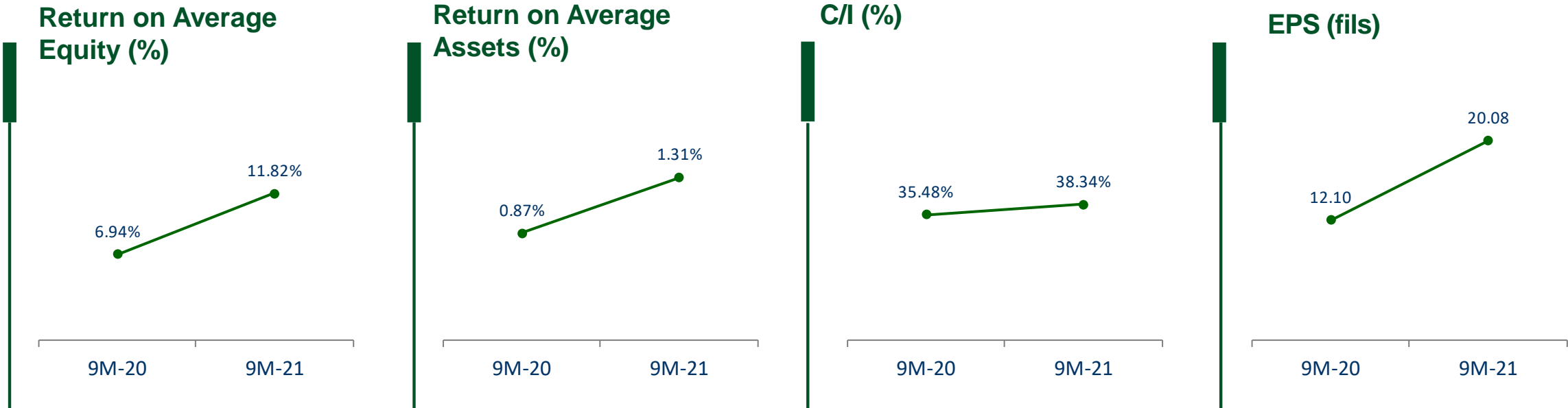
Depositors' Accounts
(KD bn)



Funding Mix



9M21 Operating Performance



Q&A

Appendix

Consolidated Financials

Consolidated Statement of Financial Position (KD million)	9M-21	Dec-20
Cash and balances with banks and financial institutions	2,901	2,491
Due from Banks	3,072	3,365
Financing receivables	11,345	10,748
Investment in sukuk	2,734	2,742
Trading properties	99	102
Investments	226	192
Investment in associates and joint ventures	491	521
Investment properties	340	351
Other assets	516	728
Intangible assets and goodwill	33	32
Property and equipment	214	230
TOTAL ASSETS	21,971	21,502
Due to banks and financial institutions	2,445	2,954
Sukuk payables	394	315
Depositors' accounts	16,009	15,317
Other liabilities	800	814
TOTAL LIABILITIES	19,649	19,401
Share capital	844	767
Share premium	720	720
Treasury shares	(28)	(28)
Reserves	392	476
TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE BANK	1,929	1,936
Perpetual Tier 1 Sukuk	226	-
Non-controlling interests	167	165
TOTAL EQUITY	2,322	2,101
TOTAL LIABILITIES AND EQUITY	21,971	21,502

Consolidated Statement of Income (KD million)	9M-21	9M-20
Financing income	664	665
Financing cost and estimated distribution to depositors	221	215
Net finance income	443	450
Investment income	4	38
Fees and commission income	54	52
Net gain from foreign currencies	58	54
Other income	32	28
Non-Financing Income	148	172
Tota Operating Income	591	623
Staff costs	139	129
General and administrative expenses	57	61
Depreciation and amortization	31	32
Total Expenses	227	221
Net Operating Income	364	402
Provisions and impairment	118	246
Profit for the Period Before Taxation	246	156
Taxation and Proposed Directors' fees	34	25
Non-controlling interests	44	30
Profit Attributable to Shareholders of the Bank	168.1	101.2

Consolidated Statement of Financial Position 2015 - 2020

Consolidated Statement of Financial Position (KD million)	2015	2016	2017	2018	2019	2020
Cash and balances with banks and financial institutions	1,600	1,495	1,262	1,381	1,910	2,491
Due from Banks	3,194	2,877	2,982	3,444	3,646	3,365
Financing receivables	8,095	8,176	9,159	9,190	9,474	10,748
Investments in sukuk	807	1,100	1,429	1,563	2,292	2,742
Trading properties	214	186	161	148	108	102
Investments	508	357	304	285	195	192
Investment in associates and joint ventures	535	469	464	499	504	521
Investment properties	580	591	554	490	455	351
Other assets	469	549	465	544	547	728
Intangible assets and goodwill	48	39	39	31	31	32
Property and equipment	264	216	214	195	229	230
Leasehold rights	180	0	0	0	0	0
Assets classified as held for sale	0	445	324	0	0	0
TOTAL ASSETS	16,495	16,499	17,358	17,770	19,391	21,502
Due to banks and financial institutions	2,730	2,399	2,240	2,689	2,427	2,954
Sukuk payables	322	473	518	499	320	315
Depositors' accounts	10,756	10,717	11,597	11,780	13,553	15,317
Other liabilities	630	645	699	728	848	814
Liabilities directly associated with assets classified as held for sale	0	227	188	0	0	0
TOTAL LIABILITIES	14,439	14,461	15,242	15,696	17,147	19,401
Share capital	477	524	577	634	698	767
Share premium	720	720	720	720	720	720
Treasury shares	(50)	(49)	(45)	(44)	(36)	(28)
Reserves	632	615	620	584	679	476
TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE BANK	1,779	1,810	1,872	1,894	2,060	1,936
Non-controlling interests	276	228	244	180	183	165
TOTAL EQUITY	2,055	2,039	2,116	2,074	2,243	2,101
TOTAL LIABILITIES AND EQUITY	16,495	16,499	17,358	17,770	19,391	21,502

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Consolidated Statement of Income 2015 - 2020

Consolidated Statement of Income (KD million)	2015	2016	2017	2018	2019	2020
Financing income	695	718	741	862	932	893
Financing cost and distribution to depositors	263	283	296	335	401	279
Net finance income	432	435	445	527	530	614
Investment income	108	79	107	63	130	-6
Fees and commission income	79	89	97	87	79	73
Net gain from foreign currencies	25	23	17	30	34	70
Other income	59	34	48	39	41	45
Non-Financing Income	271	225	268	219	284	181
Total operating income	703	660	713	746	814	796
Staff costs	172	174	188	178	182	172
General and administrative expenses	81	84	83	81	79	81
Depreciation and amortisation	78	37	35	33	43	43
Total Expenses	330	295	305	292	304	296
Net Operating Income	372	365	408	454	510	500
Provisions and impairment	184	157	163	163	197	284
Gain / (Loss) for the year from discontinued operations	22	(22)	0	0	0	0
Profit Before Tax and Zakat	211	186	245	291	313	215
Taxation and Proposed Directors' fees	21	24	30	27	51	31
Non-controlling interests	44	(3)	30	36	11	36
Profit Attributable to Shareholders of the Bank	146	165	184	227	251	148



Investor.relations@kfh.com